



PROPHON

# General Conditions

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## **General Terms and Conditions for Authorising the Use of Phonograms and Music Audiovisual Recordings**

### **Chapter Two**

#### **Broadcasting via Wireless Means and Transmission via Cable of Phonograms and Music Audiovisual Recordings**

##### **Free Contracting**

Art. 5. Authorisation for broadcasting via wireless means and transmission via cable or other technical means of phonograms and music audiovisual recordings shall be issued subject to a contract with the relevant radio or television operator signed as a result of free contracting as per the Tariffs for Radio and Television Operations of PROPHON effective as of the moment of signing of the contract, with adequate recognition of the interests of parties to the agreement.

Art. 6. In setting the amount of due remuneration, tariff rates and guaranteed minimums under the Tariffs for Radio and Television Operations of PROPHON shall be reduced on proportional basis relative to the airtime (duration and time of day).

##### **Authorised Transmission via Cable**

Art. 7. Authorisation for broadcasting of phonograms and music audiovisual recordings via wireless means includes also authorisation for their transmission via cable or other technical means with payment of no extra remuneration, provided the transmission happens simultaneously with broadcasting, in full and in a non-modified form and confined within the territory for which the broadcasting right granted applies.

##### **Authorised Broadcasting via Telecommunication Satellite**

Art. 8. Authorisation for broadcasting of phonograms and music audiovisual recordings via wireless means includes also right to transmission under the control and responsibility of the transmitting authority via signal to a telecommunication satellite allowing reception thereof through an intermediary other than the transmitting authority. This is admissible provided PROPHON has granted the receiving authority the right to broadcast the work wirelessly, to retransmit it via cable or other technical means or to perform it

in public in other way. In this case the transmitting authority shall not be liable to pay any remuneration.

### **Discounts vis-à-vis Due Remuneration**

Art. 9. /1/ PROPHON provides 15% discount to a contracting media group provided agreements with PROPHON are signed for the neighbouring rights of all the constituent media including the ones that are to start radio/television operations after the agreement becomes effective. Otherwise no discount for media groups shall be provided, and users shall pay the full amount of due remuneration.

/2/ The discount for a media group shall be deducted following deduction of the main discounts from due remuneration in the form of guaranteed minimums or fixed amounts as per the Tariffs for Radio and Television Operations of PROPHON.

/3/ The main discounts shall be applicable also to balancing payments owed by operators who have agreed due remuneration as percentage rate of gross revenues from radio and television operation but no less than the guaranteed minimum.

Art. 10. For agreements concluded before 1 August 2010, due remuneration as per the effective Tariffs for Radio and Television Operations of PROPHON for the first year counted from the date of signing of the agreement shall be reduced by 5%.